



Investment Decision: Profitability and Non-Public Ownership in Value Relevance of Accounting Information

Vina Maulidah Chusnia^{1*}, Pujiono²

¹Student of Accounting Studies Program, Faculty of Economics and Business, State University of Surabaya

²Lecture of Accounting Studies Program, Faculty of Economics and Business, State University of Surabaya

ARTICLE INFORMATION	ABSTRACT
<p>Article History: Received: May 20, 2024 Revised: June 17, 2024 Approved: June 29, 2024 Published: July 31, 2024</p> <p>Keywords: Value Relevance of Accounting Information, Profitability, Non-Public Ownership, Investment Decision.</p> <p>*Corresponding Author: chusniavinana@gmail.com</p> <p>DOI: 10.60036/jbm.v4i3.art8</p>	<p>This study aims to study the impact of the relevance of the value of accounting information on investment decisions. The relevance of the value of accounting information is measured by the EPS, ROA, and Non-Public Ownership profitability ratio, while investment decisions are scattered with the share price. The research sample comprises 27 companies in the Food and Beverage Industry Subsector listed in the EIB during 2015-2022. Data analysis methods include classical assumption tests, double linear regression analysis, F tests, and t-tests using SPSS 29 software. Research results show that EPS and ROA affect stock prices, so they can be a reference for investors when making investment decisions. While Non-Public Ownership does not influence stock prices, investors need to undertake an in-depth analysis of corporate information and operational performance that is not fully disclosed.</p>

INTRODUCTION

By 2023, the Indonesian Stock Exchange (BEI) has achieved a number of remarkable achievements, in the increase in the number of companies listing their shares through Initial Public Offering (IPO)(BEI 2024). With the addition of 79 new shares, the total companies listed in the EIB now reaches 903, marking the highest record in the history of Indonesian capital markets. This phenomenon has the potential to increase the demand for relevant and accurate financial information for investors.

The main determining factor and one of the basic attributes of accounting quality is the relevance of the value of the accounting information, which refers to the efforts of the company in displaying the company's value using accounting data (Beaver 1968), which is measured by the ability of the financial report information to provide a variety of descriptions that can affect the price of the stock (Hazmi and Subekti 2018). Given the relevance of the value of accounting information can affect the stock price, the increasing number of companies IPO in Indonesia requires investors to be more careful in making investment decisions, in order to avoid the manipulative practices that companies may undertake.

In Indonesia, the phenomenon of manipulative practices related to financial reporting (cash) hit the company BUMN PT. Waskita Karya Tbk in 2018. As much as 400 billion is recorded as a net profit and there are cases of fictitious subcontractor projects suspected of manipulating financial statements. Other mistakes resulting from violation of financial statements suffered by PT. Garuda Indonesia in the year 2018. The case is rooted in the 2018 financial year report on the Indonesian Stock Exchange, which recorded a net profit of US\$809,000. The nominal gave rise to suspicion as a result of the massive increase in losses from 2017. These cases show where a layered audit does not guarantee the authenticity of the financial statements on the stock

exchange. In fact, in the Financial Accounting Standard Statement (PSAK) No. 1 on the Presentation of Financial Statements, any of the important characteristics in assessing the quality of financial statements is relevant and reliable.

The application of fundamental analysis can be an initial method that can be used as an investment decision by investors by predicting stock price movements through the evaluation of fundamental factors, such as profitability measured through financial ratios such as Earnings Per Share (EPS) and Return on Assets (ROA). EPS is often considered as a key indicator in determining the price of stocks and the value of companies, with various studies showing a significant relationship between EPS and stock prices (Agrawal and Bansal 2020). Meanwhile, Return on Assets (ROA) represents another profitability ratio that indicates the efficiency of a company in utilizing its assets to generate profits. Research has demonstrated a positive and significant relationship between ROA and a company's stock price. (Ullah and Bagh 2019).

The ownership of shares, particularly public ownership, is also a crucial factor in evaluating the performance of a company's management. Regulations by the Indonesia Stock Exchange (IDX) and the Financial Services Authority (OJK) govern the amount of share ownership to ensure orderly and efficient securities trading. However, according to Ismailsyah (2020), public ownership in Indonesia remains relatively low compared to other ASEAN countries such as Thailand. According to Wang and Xu (2004), the greater the proportion of shares owned by the public, the better the reflection of management performance due to direct oversight by the public. Nevertheless, Yeung and Lento (2018) found no significant influence between internal ownership and stock prices.

The current era of industrial revolution has transformed various aspects of life, including the economic sector, thereby influencing consumer purchasing patterns. Consumers tend to shift to online channels due to the ease of access to digital technology (Lee & Lee, 2020) which impacts the increasing cost of living over time. In Indonesia, there was a 50.32% increase in food expenditure in September 2022, compared to 49.30% in September 2021 (Supriyanto, 2022). This trend aligns with the growth of the Food and Beverage Industry subsector, as illustrated by the Cumulative GDP Growth Rate for the period 2019-2023. The Food and Beverage Industry subsector remains the largest contributor to the growth of the non-oil and gas industry in Indonesia, despite the impact of Covid-19. This subsector continues to demonstrate consistent performance in enhancing productivity, investment, exports, and employment absorption (Kementerian Perindustrian Republik Indonesia 2022).

Based on the aforementioned background, this study aims to determine the impact of the relevance of accounting information values on the profitability ratios of EPS, ROA, and the amount of non-public ownership on the stock prices of companies in the Food and Beverage Industry subsector listed on the Indonesia Stock Exchange, providing information for investors in decision-making.

LITERATURE REVIEW

Agency Theory

The theory of agency arises from a conflict between the owner of the company (principal) and the management (agency) who have different interests. The principle gives the authority to the agent to make decisions, but the agent often acts contrary to the interests of the principle (Jensen and Meckling 1976). Conflicts also occur between controlling and non-controlling shareholders, in which controlling shareholder may use its power for personal gain, to the detriment of non-controlling shareholders (Shleifer and Vishny 1997). To solve this problem, good corporate governance is needed. In this study, agency theory supports non-public ownership variables as an effective supervisory mechanism in decision-making and its impact on the corporate economy.

Signaling Theory

"Job Market Signaling" by Spence (1974) introduced the theory of signals that explains how asymmetric information affects decision-making in transactions. Spence argues that the seller has complete information while the buyer relies on the information provided by the vendor, either intentionally or unintentionally. Signals are actions that change the confidence of the recipient of information and serve as a credible means of communication.

Ross. A. Stephen (1997) developed the theory of signals in the context of a company, suggesting that a company needs to signal investors through financial reports. These signals influence investment decisions and can be regarded as positive or negative signals. Convincing financial information can boost investor confidence and stock price. In this study, EPS and ROA are considered as company performance signals.

Value Relevance of Accounting Information

Research on value relevance has wide coverage and started by Ball and Brown in 1968, which shows that stock performance reacts to information in financial statements and there is a correlation between stock price and accounting profit. Furthermore, Ohlson (1995) mengintegrasikan konsep utama dalam akuntansi yaitu "*Clean Surplus Theory*" yang menyatakan bahwa nilai perusahaan tercermin dalam data-data akuntansi yang terdapat dalam laporan keuangan. penelitian ini memberikan wawasan penting tentang hubungan antara variabel akuntansi dan nilai ekuitas, serta menekankan pentingnya informasi akuntansi dalam evaluasi pasar. integrated a key concept in accounting, the "Clean Surplus Theory", which states that the value of a company is reflected in the accounting data contained in the financial statements. The study provides important insights into the relationship between accounting variables and equity values, as well as emphasizes the importance of accounting information in market evaluation. The Financial Accounting Standards (SAK) state that information is relevant if it can influence the economic decisions of users of financial statements, through assessments of the past, present, and future, as well as confirming or correcting previous evaluations. Accounting information is considered relevant if it helps in the decision-making process with predictive and confirmative values. Beaver (1968) suggests that accounting information is statistically linked to the stock market value, influencing and becoming the primary consideration in making investment decisions.

Profitability

Profitability is often defined as the ability of an investment to generate profits for its owners. (Thosniwal 2016). Profitability reflects the financial condition of a company and tends to improve its ability to make profits. When the rate of profitability rises, it will give the investors an incentive to invest in the company, which affects the rise in the price of the stock (Alfianti & Sonja 2017). The indicators used in this study are earnings per share (EPS) and return on assets (ROA)

a. Earnings Per Share (EPS)

EPS shows net profit per common stock in circulation. Analysts and investors use it to assess the profitability of companies and make investment decisions. A high EPS indicates a company capable of generating a high net profit per share, giving a positive signal about the company's future prospects.

b. Return on Assets (ROA)

ROA measures the efficiency of a company in using assets to generate profits. However, ROA comparisons must be done in the same industry to get a more accurate understanding.

Non-Publik Ownership

The ownership structure of the company is divided into managerial and institutional ownership. Managerial ownership involves internal individuals such as the management, which can reduce agency costs and improve objective alignment between management and shareholders. However, management ownership can also encourage opportunistic behaviour that leads managers to ignore the interests of the company and the shareholder for their personal gain. The presence of institutional ownership, on the other hand, is expected to provide stricter supervision, improve managerial performance, and harmonize corporate interests. So when managerial performance is optimal, there will be an increase in the relevance of the value of the financial reports generated, thereby attracting investor interest in the company, as well as potentially in the rise in the price of the stock.

Investment Decision

Investment decisions are the management's policy to use funds with the aim of gaining future profits, and are considered essential in the financial management of a company. New investments are an indicator of the company's sustainability, because without new investments, the company can be considered to have no positive prospects. In investment decision-making, there are several variables that are used as proxy sets of investment opportunities, one of which is proxy based on the price of the stock (Kallapur 2013). According to Darmadji and Fakhruddin (2012), the stock price is the price formed in the stock market over a certain period of time and can fluctuate rapidly depending on demand and supply. Stock price valuation is usually reflected in the closing price, which reflects the collective judgment of investors about the company's future prospects.

The Impact of Earnings Per Share (EPS) on Stock Price

EPS is a metric that is carefully analyzed and often used as a barometer in measuring the profitability of companies per share ownership unit. EPS reflects earnings per share in the company's financial statements (Agrawal & Bansal, 2020). A high EPS ratio indicates an outstanding ability of the company to generate net profits from each of its shares. So an increase in EPS indicates bright prospects for the company in the future (Luckieta et al., 2020).

H₁: The EPS profitability ratio affects the stock price.

The Impact of Return On Assets (ROA) on Stock Price

Return on Assets (ROA) is a form of financial ratio that is provided to assess the efficiency of the use of assets of a company in achieving the rate of return. High asset returns potentially provide a benefit to shareholders in terms of capital gains and/or larger dividends. A high ROA ratio will provide an attraction for investors to invest in the company, thus enabling it to raise the price of the stock (Elviani et al. 2019).

H₂: The ROA profitability ratio affects the stock price.

The Impact of Non-Public Ownership on Stock Price

The ownership structure of the company is divided into managerial and institutional ownership. Managerial ownership involves internal individuals of a company such as directors, which can reduce agency costs and improve objective alignment between management and shareholders. However, management ownership can also encourage opportunistic behaviour that results in managers neglecting the interests of companies and shareholders for their personal gain. The presence of institutional ownership, on the other hand, is expected to provide stricter supervision, improve managerial performance, and harmonize corporate interests. So when managerial performance is optimal, there will be an increase in the relevance of the value

of the financial reports generated, thereby attracting investor interest in the company, as well as potentially in the rise in the price of the stock.

H₃: The magnitude of public ownership has an impact on the stock price.

METHODS

Type of Research

Descriptive methods with quantitative approaches are used in this type of research. According to Priyono (2016) a descriptive approach provides a detailed description of a phenomenon that produces a pattern or category of such phenomena. This method aims to obtain statistically significant conclusions in representing the population in depth through sample analysis.

Operational Definition and Measurement

Independent Variable(X)

Earnings Per Share (EPS)

EPS is an indicator of net profit per share in circulation (Brigham & Houston 2014). The EPS calculation formula is as follows:

$$EPS = \frac{\text{Net Income}}{\text{Number of Shares Outstanding}}$$

Return On Assets (ROA)

Return on Assets (ROA) is one of the financial indicators used in evaluating the efficiency of an asset utilization by a company in achieving the rate of return (Kieso et al. 2020). The ROA calculation formula is as follows:

$$ROA = \frac{\text{Net Income}}{\text{Total Asset}}$$

Non-Public Ownership

Non-public ownership is based on the ownership of shares by managers and other institutions (agencies) outside the public environment or the open stock market Non-public ownership can be formulated as follows:

$$KNP = \text{Number of Circulating Shares (\%)} - \text{Number Of Public Owned Shares (\%)}$$

Dependent Variable (Y)

Dependent variable is a variable that is subsequently influenced by or related to an independent variable. In this study, the focus is on the stock price as a dependent variable. According to Anoraga & Pakarti (2006) valuation of the stock market price is often done through the closing price of stocks. Thus it can be formulated that the stock price at the end of the year on December 31 is the result of the closure price.

Data Collection Techniques

Documentation technique is a technique of obtaining data from historical events in a recorded or written media, images, and other media used in this research. The purposive sampling method used in the sample selection, the data analyzed came from the Food and Beverage Industry Subsector of a company listed on the Indonesian Stock Exchange (BEI) period 2015-2022.

Data Analysis Methods

In analyzing a data, the study used the IBM SPSS Statistics 29 application program. The data analysis techniques used in this study are as follows:

1. **Descriptive analysis:** An analysis that refers to the statistical method provided to study the data by providing an overview or explanation of the data.
2. **Classical Assumption Test:** A test aimed at ensuring the validity of data to be used in a study. Classical assumption tests include:
 - a. **Normality Test:** Aimed at determining whether the distribution between independent variables, dependent variables or both in a normally distributed regression model is normal or not.
 - b. **Multicollinearity Test:** Used to assess whether there is a linear relationship between the independent variable in regression models.
 - c. **Heteroscedasticity Test:** Tests that aim at evaluating the variation of the residual values of observations in regressive models.
 - d. **Autocorrelation Test:** Evaluation methods that aim to assess the existence of correlation between interference errors in a particular period (t) and previous period errors (t-1) in a lineary regression model.
3. **Multiple Linear Regression:** A statistical approach aimed at assessing the impact or influence of two or more independent variables (X) on dependent variables. (Y). Double linear regression equations are usually expressed in the form of the formula as follows:

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + e$$

Description:

Y = Stock Price

α = Constanta

$\beta_1 \beta_2 \beta_3$ = Regression Coefficient

X_1 = Earnings Per Share (EPS)

X_2 = Return On Asset (ROA)

X_3 = Non-Public Ownership

e = error

4. **F-Test:** A method aimed at assessing whether there is at least one independent variable that can explain a dependent variable.
5. **T-Test:** A method of hypothetical testing that evaluates whether an independent variable (X) individually can influence the dependent variable.
6. **Determination Coefficient:** Indicates the success rate of the research model in explaining dependent variable variations

RESULT AND DISCUSSION

Descriptive Statitics

Table 1. Descriptive Statistics

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
EPS	140	-81,50	252,58	42,4533	73,20623
ROA	140	-12,06	15,38	1,8931	5,80558
KNP	140	24,00	96,00	71,1306	17,52539
Stock Price	140	50	2150	709,36	561,662
Valid N (listwise)	140				

Source: Data processed by the author, 2024

Based on the analysis of descriptive statistical test results in table 4.1, it can be observed that the EPS variable shows an average value of 42.4533 and a standard deviation of 73.20623.

Likewise, the ROA variable has an average value (mean) of 1.8931 and a standard deviation of 5.80558. Meanwhile, the Non-Public Ownership (KNP) variable has an average value of 71.1306 and a standard deviation of 17.52539. Finally, the Stock Price variable has an average value of 709.36 and a standard deviation of 561.662.

Classic Assumption Test Result Normality Test

**Table 2. Normality Test
One-Sample Kolmogorov-Smirnov Test**

		Unstandardized Residual
N		140
Normal Parameters ^{a,b}	Mean	,0000000
	Std. Deviation	340,37745183
Most Extreme Differences	Absolute	,070
	Positive	,070
	Negative	-,049
Test Statistic		,070
Asymp. Sig. (2-tailed) ^c		,089

Source: Data processed by the author, 2024

In the initial stage of the normality test with the One Sample-Kolmogorov Test, the test results showed that the data was not normally distributed, with an Asymp value. Sig. (2-tailed) <0.001 so it is necessary to remove extreme data through outlier data. Researchers conducted outlier data three times to achieve normal distribution results in the research data. A total of 76 data were released so that the sample data used was 140 data. In the third outlier data, the data distribution meets the normality criteria. These results are reflected in the Asymp value. Sig. (2-tailed) 0.089 > 0.05.

Multicollinearity Test

Table 3. Multicollinearity Test

Model		Coefficients ^a					Collinearity Statistics	
		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Tolerance	VIF
		B	Std. Error	Beta				
1	(Constant)	448,360	125,315		3,578	<,001		
	EPS	3,449	,697	,449	4,944	<,001	,327	3,060
	ROA	37,310	8,784	,386	4,247	<,001	,328	3,053
	KNP	,618	1,672	,019	,370	,712	,992	1,008

a. Dependent Variable: Stock Price

Source: Data processed by the author, 2024

Based on the results of the multicollinearity test, the VIF value for the EPS, ROA and KNP variables is less than 10, while the Tolerance value for the EPS, ROA and KNP variables is greater than 0.01. This indicates that the research data has met the criteria to continue.

Heteroscedasticity Test

Table 4. Heteroscedasticity Test Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	328,435	464,027		,708	,481
	Ln_X1	18,478	31,769	,109	,582	,562
	Ln_X2	-15,591	37,505	-,078	-,416	,679
	Ln_X3	-7,808	104,917	-,008	-,074	,941

a. Dependent Variable: ABS_RES4

Source: Data processed by the author, 2024

This research applies a heteroscedasticity test using the Glejser test method. The Glejser test results indicate heteroscedasticity. The next step, the researcher carried out testing using the data transformation method, by transforming all independent variables (X) using the natural logarithm (Ln). After carrying out the transformation, the test results produce a significance value that exceeds the sig value. 0.05, so it can be concluded that there is no heteroscedasticity in the research data.

Autocorrelation Test

Table 5. Autocorrelation Test Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	,706 ^a	,498	,487	311,23487	2,140

a. Predictors: (Constant), LAG_x3, LAG_x2, LAG_x1

b. Dependent Variable: LAG_y

Source: Data processed by the author, 2024

Autocorrelation testing using the Durbin-Watson method resulted in the finding that there was autocorrelation in the research, with a Durbin-Watson statistical value reaching 1.177. This value is lower than the upper limit (du) and lower limit (dl) values that have been determined. However, according to Ghazali (2018) if there is an autocorrelation problem in the regression model, the Cochrane-Orcutt test is needed to overcome it. The researcher then continued autocorrelation testing using the Cochrane-Orcutt method which produced a d value of 2.140. This value is in the decision interval with a range of values between $du < d < dl$ ($1.768 < 2.140 < 2.232$), so it can be concluded that there is no autocorrelation in the research data.

Multiple Linear Regression

Table 6. Multiple Linear Regression Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	448,360	125,315		3,578	<,001
	EPS	3,449	,697	,449	4,944	<,001
	ROA	37,310	8,784	,386	4,247	<,001
	KNP	,618	1,672	,019	,370	,712

a. Dependent Variable: Stock Price

Source: Data processed by the author, 2024

The form of the equation resulting from multiple linear regression analysis can be described as follows:

$$SP = 448,360 + 3,449EPS + 37,310ROA + 0,618KNP$$

Next, the multiple linear regression equation can be described as follows:

- The constant value of 448,360 is the value created by the dependent variable (Share Price) if the independent variables (EPS, ROA and KNP) have a value equal to zero (=0).
- The positive regression coefficient value of 3.449 is the value created in EPS which, if it increases by one unit, will result in the share price increasing by 3.449 and vice versa.
- The positive regression coefficient value of 37,310 is the value created in ROA which, if it increases by one unit, will result in share prices increasing by 37,310 and vice versa.
- The positive regression coefficient value of 0.618 is the value created in the KNP which, if it increases by one unit, will result in share prices increasing by 0.618 and vice versa.

F-Test

Table 7. F-Test ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	27745475,871	3	9248491,957	78,104	<,001 ^b
	Residual	16104096,550	136	118412,475		
	Total	43849572,421	139			

a. Dependent Variable: Stock Price

b. Predictors: (Constant), KNP, ROA, EPS

Source: Data processed by the author, 2024

Based on the test results, it shows that the significance value is <0.001 or lower than 0.05. With the results of these research findings, it can be concluded that there is at least one independent variable that has an influence on the dependent variable, thus confirming the suitability of the regression model in this research.

T-Test

Table 8. T-Test Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	448,360	125,315		3,578	<,001		
	EPS	3,449	,697	,449	4,944	<,001	,327	3,060
	ROA	37,310	8,784	,386	4,247	<,001	,328	3,053
	KNP	,618	1,672	,019	,370	,712	,992	1,008

a. Dependent Variable: Stock Price

Source: Data processed by the author, 2024

The influence of each independent and dependent variable based on the t test results can be explained as follows:

- Earnings Per Share (EPS)
The significance value of the EPS variable obtained based on the t test results is <0.001, which means the significance value of the EPS variable is lower than 0.05. Thus, these results conclude that the first hypothesis can be accepted. So the EPS profitability ratio influences share prices.
- Return On Assets (ROA)
The significance value of the ROA variable obtained based on the t test results is <0.001, which means the significance value of the ROA variable is lower than 0.05. Thus, these

results conclude that the second hypothesis can be accepted. So the ROA profitability ratio influences share prices.

c. Non-Public Ownership (KNP)

The significance value of the NCI variable obtained based on the t test results is 0.712, which means the significance value of the NCI variable is greater than 0.05. Thus, these results conclude that the third hypothesis is rejected. So the amount of non-public ownership has no effect on share prices.

Discussion

EPS influences share prices, the findings show that the EPS profitability ratio has relevance in making investment decisions. From research findings it can be stated that the EPS profitability ratio is important in explaining stock prices (Ahmadi & Bouri, 2018) so that in the context of the value relevance of accounting information, high EPS can provide useful and reliable data for making investment decisions. In relation to signal theory, companies with good performance use strong accounting information, such as high EPS values, to send positive signals to the market.

ROA influences stock prices, the findings show that the ROA profitability ratio has relevance in making investment decisions. A high ROA ratio value can provide a positive signal sent by management to the market, indicating financial health and strong growth potential. This role creates a high level of profit return for potential investors (Farandy and Afkar, 2022), thereby increasing investor confidence and contributing to an increase in the company's share price.

Non-Public Ownership does not affect share prices, the findings show that the Non-Public Ownership profitability ratio has no relevance in making investment decisions. Agency theory emphasizes the existence of conflict between the actions of management (agents) and shareholders (principals) as well as the need for company monitoring procedures. Based on the findings in the research, the lack of influence of non-public ownership on share prices indicates that the monitoring and control mechanisms expected from non-public ownership may not be effective in reducing conflicts of interest between management and shareholders. This ineffectiveness also has a negative impact on economic and investment decisions based on the size of ownership. Investors may doubt the informational value of nonpublic holdings if they are not proven to influence stock prices. This doubt can reduce investors' confidence in the effectiveness of the company's internal governance mechanisms.

CONCLUSION

Conclusion

Based on the results of research conducted, it was found that accounting information in profitability ratios has value relevance in making investment decisions. Accounting information in influential financial ratios shows that the company has effectively applied the concept of relevance in its financial reports. Then, investors can use profitability ratios in the form of EPS and ROA as considerations when investing because of their impact on share prices. High EPS and ROA values increase the perception of company performance, thus attracting investors to invest in the company. The influence of accounting information on profitability ratios on stock prices is in line with signal theory, which states that good financial information provides positive signals to investors about company performance.

Meanwhile, accounting information in the form of the amount of non-public ownership has no influence on share prices. Despite the expected role of non-public ownership to monitor and manage company performance, its impact on share prices is not obvious. This may be due to information asymmetry and the fact that information from nonpublic shareholders is not fully presented to the public, which hinders the market's ability to accurately evaluate corporate

performance. It can be concluded from the research findings that non-public ownership efforts in agency theory to reduce conflicts of interest have not been effective.

Suggestion

To develop further research, there are several suggestions that can be considered based on research findings. There is a need for in-depth investigative action regarding the role and significance of non-public ownership that does not affect share prices. Then, a more comprehensive study with more significant measurements is recommended to provide a better understanding and implications of non-public ownership for company value.

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